

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO,
et al.,

Debtors¹

PROMESA Title III

No. 17 BK 3283-LTS

(Jointly Administered)

MARIA JUDITH DIAZ CASTRO,

Plaintiff,

v.

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,
COMMONWEALTH OF PUERTO RICO;
JUAN J. COLON BAEZ; MARIO RIVERA
GIEGEL, ESQ; LUIS RIOS DIAZ, ESQ.; LUIS
NAVAS DE LEON, ESQ.; LEILANY CARRION
DEL TORO, ESQ., SERGIO RUBIO PAREDES,
ESQ., EMILIO ARIL GARCIA, ESQ., SHARON
PLACERES SAENZ, JOHN DOES 1-10,

Defendants.

PROMESA Title III

Adv. Proc. No. 22-00054-LTS

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the "Commonwealth") (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA", and together with the Commonwealth, COFINA, HTA, ERS, and PREPA, the "Debtors") (Bankruptcy Case No. 19-BK-5532-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

**URGENT CONSENSUAL MOTION TO EXTEND DEFENDANTS' TIME TO FILE
RESPONSIVE PLEADING TO PLAINTIFF'S AMENDED COMPLAINT**

To the Honorable United States District Court Judge Laura Taylor Swain:

The Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”) and the Commonwealth of Puerto Rico (the “Commonwealth” and, together with the Oversight Board, the “Defendants”), by and through the Oversight Board, as the sole Title III representative of the Commonwealth pursuant to Section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),² respectfully submit this urgent consensual motion (the “Urgent Motion”) seeking an extension, to and including May 15, 2023, to file Defendants’ answer or responsive pleading in the above-captioned adversary proceeding (the “Adversary Proceeding”). Counsel for the Defendants has reached out to counsel for Plaintiff and counsel for Plaintiff has consented to such extension. In support of this Urgent Motion, Defendants respectfully state as follows:

BACKGROUND

1. On May 24, 2018, Maria Judith Diaz Castro (“Plaintiff”), the plaintiff in this Adversary Proceeding, filed Proof of Claim No. 29845 (the “Claim”), asserting liabilities associated with a litigation pending in the United States District Court for the District of Puerto Rico, Civil Case No. 16-2873.

2. On August 12, 2022, Plaintiff filed the complaint initiating this Adversary Proceeding [Adv. Proc. No. 22-00054, ECF No. 1].

3. On November 11, 2022, Plaintiff filed an amended complaint in this Adversary Proceeding [Adv. Proc. 22-00054, ECF No. 5] (the “Amended Complaint”), seeking *inter alia*,

² PROMESA is codified at 48 U.S.C. §§ 2101–2241.

liquidation of the Claim, a declaratory judgment that the Claim is nondischargeable, and/or an order lifting the automatic stay.

4. On January 18, 2023, an electronic summons was issued to the Commonwealth and on February 2, 2023, an electronic summons was issued to the Oversight Board.

5. On February 13, 2023, Plaintiff's counsel provided the Oversight Board's counsel with forms of Waiver of the Service of Summons for the Oversight Board and for the Oversight Board, as Title III representative of the Commonwealth (the "Waivers"). Defendants agreed to waive formal service of the Amended Complaint, and, on February 16, 2023, the Oversight Board's counsel provided the executed Waivers to Plaintiff's counsel. On February 17, 2023, Plaintiff's counsel filed the executed Waivers.

6. Pursuant to the Waivers, Defendants' deadline to answer or otherwise respond to the Amended Complaint is sixty (60) days from February 13, 2023, or April 14, 2023 (the "Response Deadline").

REQUEST FOR RELIEF

7. Defendants respectfully request an order granting Defendants an extension of the date by which Defendants must answer or otherwise respond to the Amended Complaint, from the Response Deadline, up to and including May 15, 2023. As the Court is well aware, the Commonwealth is in the process of reconciling all claims filed against it, including the Claim. The Commonwealth requires additional time to gather and reconcile information relating to the Claim to allow for resolution of the Claim, and to explore the possibility of a consensual resolution to the parties' disputes.

8. Pursuant to paragraph 1.H of the *Sixteenth Amended Notice, Case Management and Administrative Procedures* [Case No. 17-3283, ECF No. 20190], the Oversight Board certifies it

has carefully examined the matter and concluded there is a true need for an urgent motion; it has not created the urgency through any lack of due diligence, has made reasonable, good-faith communications in an effort to resolve or narrow the issues being brought to the Court, and Plaintiff consents to the relief requested herein.

NOTICE

9. The Oversight Board has provided notice of this Urgent Motion in accordance with the Case Management Procedures to the following parties: (a) the Office of the United States Trustee for the District of Puerto Rico; (b) the entities on the list of creditors holding the 20 largest unsecured claims against COFINA; (c) counsel to the statutory committees appointed in these Title III cases; (d) the Office of the United States Attorney for the District of Puerto Rico; (e) counsel to the Oversight Board and AAFAF; (f) all parties filing a notice of appearance in these Title III cases; and (g) counsel to Plaintiff. A copy of the motion is also available at <https://cases.ra.kroll.com/puertorico/>.

10. The Oversight Board submits that, in light of the nature of the relief requested herein, no other or further notice need be given.

[Remainder of Page Intentionally Left Blank]

WHEREFORE the Defendants respectfully request the entry of the proposed order attached hereto as **Exhibit A** granting Defendants an extension of the Response Deadline.

Dated: April 13, 2023
San Juan, Puerto Rico

Respectfully submitted,

/s/ Brian S. Rosen

Martin J. Bienenstock

Brian S. Rosen

(Admitted *Pro Hac Vice*)

PROSKAUER ROSE LLP

Eleven Times Square

New York, NY 10036

Tel: (212) 969-3000

Fax: (212) 969-2900

Email: mbienenstock@proskauer.com

brosen@proskauer.com

*Attorneys for the Financial Oversight and
Management Board as representative for the
Commonwealth*

/s/ Hermann D. Bauer

Hermann D. Bauer

USDC No. 215205

O'NEILL & BORGES LLC

250 Muñoz Rivera Ave., Suite 800

San Juan, PR 00918-1813

Tel: (787) 764-8181

Fax: (787) 753-8944

Email: hermann.bauer@oneillborges.com

*Co-Attorney for the Financial Oversight and
Management Board as representative for the
Commonwealth*

CERTIFICATE OF SERVICE

I hereby certify that, on this same date, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will send notifications of such filing to all CM/ECF participants in this case.

/s/ Hermann D. Bauer
Hermann D. Bauer

EXHIBIT A

Proposed Order

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO,
et al.,

Debtors³

PROMESA Title III

No. 17 BK 3283-LTS

(Jointly Administered)

MARIA JUDITH DIAZ CASTRO,

Plaintiff,

v.

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,
COMMONWEALTH OF PUERTO RICO;
JUAN J. COLON BAEZ; MARIO RIVERA
GIEGEL, ESQ; LUIS RIOS DIAZ, ESQ.; LUIS
NAVAS DE LEON, ESQ.; LEILANY CARRION
DEL TORO, ESQ., SERGIO RUBIO PAREDES,
ESQ., EMILIO ARIL GARCIA, ESQ., SHARON
PLACERES SAENZ, JOHN DOES 1-10,

Defendants.

PROMESA Title III

Adv. Proc. No. 22-00054-LTS

³ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the "Commonwealth") (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA", and together with the Commonwealth, COFINA, HTA, ERS, and PREPA, the "Debtors") (Bankruptcy Case No. 19-BK-5532-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

**ORDER GRANTING URGENT CONSENSUAL MOTION
TO EXTEND DEFENDANTS' TIME TO FILE RESPONSIVE
PLEADING TO PLAINTIFF'S AMENDED COMPLAINT**

Upon the *Urgent Consensual Motion to Extend Defendants' Time to File Responsive Pleading to Plaintiff's Amended Complaint* (Docket Entry No. ____ in Adv. Proc. 22-00054; Docket Entry No. ____ in Case No. 17-3283, the "Urgent Motion");⁴ and the Court having found it has subject-matter jurisdiction over this matter pursuant to PROMESA section 306(a); and it appearing that venue in this district is proper pursuant to PROMESA section 307(a); and the Court having found the Oversight Board provided adequate and appropriate notice of the Urgent Motion under the circumstances and no other or further notice is required; and upon the record herein, after due deliberation thereon, the Court having found good and sufficient cause exists for the granting of the relief as set forth herein:

1. The Urgent Motion is **GRANTED** as set forth herein.
2. The deadline for Defendants to answer, move, or otherwise respond to the Amended Complaint is extended to May 15, 2023.
3. The Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

Dated: _____, 2023.

SO ORDERED:

HONORABLE LAURA TAYLOR SWAIN
United States District Judge

⁴ Capitalized terms not otherwise defined herein shall have the meanings given to them in the Urgent Motion.